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Prize Essay Contest for Foremen

EARLY in February THE CONFERENCE BOARD announced a prize essay contest open to all foremen or persons occupying corresponding positions in companies associated with the Board. Foremen were invited to discuss the question: "What Can a Foreman Do to Build High Morale in His Department?" This question was amplified by three suggestions:

"How can he bring out the best in his men, stimulate team work, make them better and happier employees and citizens?"

"How can he work with other foremen and his superiors to increase smooth operation and friendly feeling throughout the organization?"

"How much of this can he accomplish by himself, and in what ways can management help him realize the fullest possibilities of his job?"

It was emphasized that letters would be judged on the basis of the ideas they contained and on the evidence of sincere effort to work out practical principles of good foremanship. Literary style was of minor importance. When the contest closed on April 15th, 1,915 entries had been received from foremen representing 226 companies, in 39 states, the District of Columbia, and Canada.

The essays as a whole revealed thoughtful study of the foreman's responsibilities and comprehension of his exacting requirements as contact man between higher management and rank and file employees. Many statements drawn from the essays were quoted in the May *Management Record*, and others will appear in a future issue. In fact, such a large number of entries were so nearly equal in merit and showed so broad a grasp of the essentials of good foremanship that the judges were faced with a difficult task in selecting the prize winners. After careful consideration the following awards were made:

FIRST PRIZE—\$100.00

R. O. FLANSBURG
Belle City Malleable Iron Company, Racine, Wis.

SECOND PRIZE—\$50.00

RICHARD S. THATCHER
Westinghouse Electric & Manufacturing Co., Philadelphia, Pa.

THIRD PRIZE—\$25.00

JOSEPH M. CONNOLLY
Congoleum-Nairn, Inc., Marcus Hook, Pa.

FOURTH PRIZES—\$5.00

G. S. BRICKETT
Congoleum-Nairn, Inc., Westminster, Md.

JOSEPH S. DALY
Berger Brothers Company, New Haven, Conn.

C. CLIFTON EDWARDS
Ditzler Color Company Division, Pittsburgh Plate Glass Co., Detroit, Mich.

CARL GOSLINE
John Deere Tractor Works, Waterloo, Iowa

MAXIM MINIKES
New York & Queens Electric Light & Power Co., Long Island City, N. Y.

DESERVING OF HONORABLE MENTION

CHARLES D. B. AGNEW, Westinghouse Electric & Manufacturing Company, Philadelphia, Pa.

CHARLES H. ALLAN, Yale and Towne Manufacturing Co., Stamford, Conn.

C. J. ANDERSEN, Milwaukee Electric Railway and Transport Company, Milwaukee, Wis.

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FIRST PRIZE

R. O. FLANSBURG

Before giving an opinion on this question, one must assume several things—first, that the management has set up an employer-employee policy which, if administered properly, would develop good employer-employee relations; second, that the foreman has the proper slant on management, labor and foremanship.

Regarding management, he must appreciate the fact that the firm employing him represents the investment of one or many individuals in the form of buildings, equipment and materials, for the purpose of manufacturing some useful product or service needed by society. He must understand that the investors who have put

their savings in his plant are entitled to dividends on their investment.

Regarding labor, he must appreciate that it is a necessary part of the scheme of manufacture. He must understand that harmonious relationships between management and labor are a major need of any successful manufacturing establishment. He must be aware of the fact that labor has certain rights that were abused by a few employers and that recently, through law and labor organizations, labor has attained a new relationship with management, and that he as a foreman must adjust himself to this new condition.

As a foreman, it is his duty to see that quality work is done at a competitive cost and that harmonious relations are maintained between management and labor, in this way making dividends possible for the investor and job security for the workingman.

With a good employer-employee policy, and a proper understanding of the responsibilities of management, labor and foremanship, the foreman can build higher morale in his department by promoting better employer-employee relationship.

There are many ways in which a foreman can accomplish this relationship. Each in itself may appear small and insignificant. So, too, is the atom and yet as we all know, enough of them makes the world. And so it is with the small things that make up our daily relationships with employees—enough small bad situations can make large serious ones and enough small good ones can operate to produce better relationships.

Following are some of the things that will promote better employer-employee relations:

1. Be sold on your firm and its policies; if you're not, resign. You cannot expect to sell others very long, what you yourself won't accept.

2. Build up management's and labor's confidence in you. The best job for management or labor is done when the foreman has the confidence of each that he is honestly presenting its problems to the other.

3. Don't sell yourself at the expense of management. Do a good job of promoting plant policy and you automatically sell yourself.

4. Remember that all labor is human and as such, subject to all its peculiarities and shortcomings. Tell employees when they do a good job. Reprimand them when it is needed but do so in such a way that it does not em-

barrass them or cause them to lose face with other employees; give prompt attention to their complaints; show interest in their problems; be sympathetic and understanding; in other words, let each occasion find you conducting yourself as if a reversal of relationships existed and you were the employee.

5. Lastly, know how to give instructions. Always give the *reason why*. It helps for these reasons:

The employee will more easily understand his instructions.

He will accept instructions in a better spirit.

He will be less likely to make mistakes.

It is an indication of your respect for his intelligence.

It will inspire a deeper interest in his job.

It will help the worker to see management's point of view.

It will encourage the worker to cooperate with others whose work is related to his.

It will satisfy his natural curiosity.

A good foreman understands the necessity of having good relations with other foremen, and will use the same procedure to attain this end that he does with the men directly under him. A foreman has fallen short of building higher morale or good employer-employee relations if he has confined his efforts to his department only. He must extend them to embrace the entire plant.

Provided management has set up a good employer-employee policy, the responsibility for poor employer-employee relations must then rest with supervision.

Management can help the foreman by keeping him fully posted on changes in plant policy as they affect him, constantly reminding him of the importance of better employer-employee relations, with suggestions for bringing them about. Better quality and better costs cannot be had until better employer-employee relations are developed and steadfastly maintained.

SECOND PRIZE

RICHARD S. THATCHER

The vital point of contact between stockholder and employee is neither President, Manager nor higher executives; it is the immediate supervisor or foreman. His value to a company should not be underestimated, for he is the channel through which the worker receives and judges the policies and ideals of those who create them for industry. He largely controls the mental attitude of the worker; therefore, he must remember that the old line rule-of-thumb, savagely aggressive foreman of former times no longer fills the bill and the sphere of his usefulness grows more limited each passing year.

The truly successful foreman must be a translator of ideas into action and results, a creator of plans and practice and a transformer of mental energy into physical energy. He must enjoy the sincere respect, loyalty, good will, and complete confidence of his men to obtain

maximum quantity and quality of work and maintain a spirit of friendly cooperation.

He can bring out the best in his men, stimulate teamwork and make them better and happier citizens by using tact and remembering at all times that his men are just as human as he; that they too have families and homes and are also interested in not only maintaining, but elevating their standard of living and enjoying the finer things of life. Bearing this in mind, it is easy for the tactful foreman to gain the willing and friendly cooperation of his workmen toward any proposal he should make in the way of instructions, new methods, etc., by showing them the gains or advantages they can realize through its adoption, because men are always willing, even anxious, to do anything which will benefit themselves or their families.

He can get closer to the heart of a man by speaking to

him occasionally about his family, his home, one of his hobbies, a sport in which he is interested, etc., because a man likes to talk about that which gives him pleasure. A favor or some personal assistance which he may render a man means a lot towards maintaining a warm feeling that will nurture satisfaction, contentment and loyalty.

By studying and analyzing each man individually, a good foreman can develop and increase the knowledge, skill, efficiency and value of his men both to himself and to the company. The foreman must learn each workman's good traits as compared with his bad ones, his peculiarities, hobbies and interests, so that he may be better equipped to deal with each man individually, and thus more readily convert his bad traits into good ones. It is a good plan to keep a confidential record of such an analysis and check the progress being made. Using this analysis as a guide, the foreman is better able to place each man on the job to which he is best fitted and where he is most contented.

He can increase happiness and cooperation by being kind, fair and human in all his dealings, allowing not the slightest taint of partiality to exist and showing appreciation of good work. A sincere "pat on the back" means a lot to a worker. When a man has performed a job incorrectly, most foremen are prone to punish or "bawl him out," although they often fail to give credit where it is due.

A good foreman always reflects cheerfulness and, at all times, practices self-control, not allowing himself to become emotionally upset when something has been done wrong or someone tries his patience. Sarcasm and a sour disposition should be avoided at all times as they definitely break down morale and spirit. He must continually maintain justice, when dealing with his men, and show a broad sympathy when they experience sorrow or trouble. The welfare of his men should ever be in his mind; he should protect them from work hazards and dangers by furnishing safety devices and guards, and by constantly training them along safety lines.

The workman is in a splendid position to offer suggestions for the improvement of the product being manufactured, the process used or the method of manufacture. He, therefore, should be encouraged to think constructively and submit each suggestion which he feels may have merit. It is a good plan to reward the man financially for suggestions adopted, the amount of reward being determined by the savings effected over a given period of time. If the saving be great, the man should be proportionally remunerated. This will stimulate other workmen to submit suggestions which may prove worthwhile and effect real savings. A company has everything to gain with such a set-up.

When new men enter a department, the foreman should create interest in the work for them and gain their confidence by clearly and thoroughly explaining

the work. He can maintain this interest by helping men doing lower rated work to more adequately fit themselves to advance to higher grade work. He must constantly plan for an even flow of work in the department to keep his men busy, avoiding temporary congestion and slack periods, resulting in "short time."

When complaints or grievances arise, they should be carefully analyzed and settled immediately. This maintains satisfaction and good will. If they drag on, they grow, gain momentum, cause hard feeling and dissatisfaction and often leave an ugly mark which is slow and hard to obliterate. Under no circumstances should a foreman make a promise unless he is absolutely sure he can fulfill it.

Since the foreman is the final contact, the cutting edge, so to speak, between management and labor and upon him ultimately depends the putting across of improved methods, safety, loyalty, sanitation, cooperation, happy and harmonious labor relations, it is imperative that he be guided by the above. "Just as the foreman is—so is the company."

He can work with other foremen and his superiors to increase smooth operation and friendly feeling throughout the organization by using the same principles of human nature which have been previously described. He must be unselfish and never allow jealousy to enter his make-up, and must realize that his department would mean little to the company, in itself, but by working in harmony and cooperation with all other departments, for a common cause, he will be marked as successful by his superiors, be in line for promotion and the company will certainly progress. Every foreman should consider his department a link in the company chain and remember that "a chain is as strong as its weakest link."

Management can greatly help the foreman by conducting courses or conferences on "Handling Human Nature," "Human Relations in Industry," "Management," etc. When a man learns a trade, he serves an apprenticeship; if a profession, he studies in the university and the business man prepares in either college or business school. However, when managing men, one picks up what he can from experience, then does his best. There is an obvious need for more courses on the management of men—to adequately fit one to handle the toughest problem known—human nature.

Management should constantly be searching for men in its ranks with potential ability for supervisors and foremen to train so that when the occasion arises they may promote men from their own organization, rather than bring any one in from outside plants. Disregarding line promotion always creates dissatisfaction in any organization. Since capable foremen are indispensable to any successful concern, they should be accordingly compensated.

Most of the aforementioned can be accomplished by

the foreman himself; but it would aid him greatly and certainly benefit the entire organization, if the same principles of human nature, as previously described, were practiced by all the management from the very top, down to the lowest class worker. When a foreman has worked hard, constructively building up morale, only to have a higher executive act in an untactful manner, his effort has been in vain. As a matter of fact, the higher executives should set the example for their subordinates.

Joint meetings of top executives and foremen for the

purpose of discussing company policies, business conditions, contemplated changes in hours, rates or salaries would be very beneficial. They would enable the foreman to gain a clear understanding of matters which he should be familiar with, enabling him to give his men the correct interpretation, thereby settling apparent grievances before they really develop.

In conclusion, I cannot overemphasize the necessity of tact, clear thinking, fairness, honesty, and human kindness for building and strengthening morale within an organization.

THIRD PRIZE

JOSEPH M. CONNOLLY

1. How can you, as a foreman, bring out the best in your men, stimulate team work, make them better and happier employees and citizens?

Take a sincere, friendly interest in the welfare, physical comfort, promotion and advancement of each of your employees, in full proportion to his ability.

Show no favoritism or partiality. Treat all men alike.

Develop an interest in the employee's interests outside of working hours, his family life, hobbies, sports, etc., and inquire concerning them occasionally.

Make a study of each employee as to the characteristics of his nature in order to develop the best means of approach when it becomes necessary due to discipline, changes in methods, discussions on costs, production, etc.

Do everything possible to maintain good working conditions. Supply proper light and ventilation, maintain good-housekeeping and safeguards, and by thorough instruction and supervision, show your interest in accident prevention. Supply proper tools and equipment, keep machines in good working order, endeavor to supply the best material to work with, and maintain suitable locker and washroom facilities.

Convince the employee, by your manner of giving instructions and your methods of training, that you sincerely desire to be helpful.

Make sure he fully understands the hours of work, change of shifts, his wage rate and any possible future advancement that may be in store for him.

Endeavor, wherever possible, to place men on jobs with due regard to their physical fitness and personal preferences.

Always be willing to listen, regardless of what subject is brought up for discussion. If a new idea is broached, promise immediate consideration and check it thor-

oughly. If it proves applicable from all standpoints, take the necessary steps to make it part of the operation and be sure to praise the employee who submitted it. If it does not prove feasible and offers no economy, explain the "why" thoroughly and carefully to the man in such a manner as not to discourage the submission of further ideas. If the subject happens to be personal or a grievance relating to his particular job, his fellow workmen, etc., do everything possible by sympathetic understanding, patient explanation and advice to settle the difficulty.

Treat all men with respect, never underestimate them, let them feel they are helping you, ask their advice, let them feel their importance, avoid being sarcastic and above all respect their confidence.

Make personal contacts with all the men as often as possible. Let them know you are satisfied with their work or, if not, take the time and patience to explain, in the proper manner, why the work is unsatisfactory. Never lose your temper in the presence of any of your men.

In selling new ideas to men, first endeavor to put them in a receptive mood. Show them you are interested in how they will be affected personally, point out all advantages and disadvantages, discuss all questions and above all point out the reasons why changes are necessary.

Practice tolerance in all your dealings with men. Do not be too severe when mistakes are made, but try to point out in a friendly, helpful manner, how to prevent a recurrence. Never show up a man's weakness, but rather discover his strong points and play them up. Never reprimand a man in the presence of fellow employees.

Do not make any promises that you cannot keep, and when you do make them, make sure they are fulfilled.

Set an example for all the men under you. By your appearance, manner, attitude, word and action, endeavor to make the work as pleasant, profitable, safe and friendly as possible. Treat them as partners and not as inferiors, give them the benefit of your experience and endeavor to develop the "we" feeling throughout your entire organization.

2. How can you work with other foremen and your superiors to increase smooth operation and friendly feeling throughout the organization?

The keynote to this pertinent question is, in my opinion, "cooperation." The ability to get along and work with your fellow foremen and your superior depends entirely on the effort you make to cooperate thoroughly in all matters pertaining to the work of the entire organization. It is possible to show your willingness in many ways in this respect:

a. Share experiences and thus get or give a possible solution to a problem that may have confronted all department heads at various times in the past.

b. Swap ideas and consequently get the benefit of others' thoughts in connection with all operations throughout the plant.

c. Develop a "team-work" attitude in all your dealings with other foremen and superiors, regardless of personal feelings and the other fellow's attitude along the same lines.

d. Be willing to accept the responsibility of helping others outside of your own department, even to the extent of "bending over backward" when you know your help will not only benefit the particular foremen, but the entire organization as well.

e. Study new ideas thoroughly before presenting them, so as to be able to give a clear picture of results to be obtained, costs, etc., when you do present them.

f. Always keep your promises.

3. How much of this can you accomplish by yourself, and in what ways can management help you realize the fullest possibilities of your job?

I would say you could accomplish very little yourself in building high morale in your department without the background of interested and intelligent management. This statement naturally leads us to the ways management can help us. I submit the following:

1. By supplying us with thorough knowledge of the Company's problems.

2. By giving us from its greater experience the advanced training and education necessary to carry out our jobs.

3. By establishing a fair wage rate.

4. By taking an interest in working conditions and acting on our recommendations, when conditions warrant.

5. By having all matters pertaining to our departments go through us.

6. By taking prompt action on all ideas that have been accepted.

7. By keeping all promises made.

8. By treating us with the same respect it expects us to show our men.

In other words, I believe that everything a foreman does to build high morale, both in his department and throughout the organization, is only a reflection of what the management builds in him. The interest shown in him and his work and the attitude taken in dealing with him, will show up relatively in the same proportion in the men under him.

FOURTH PRIZE

G. S. BRICKETT

The effectiveness of a foreman in building up morale in his department depends to a great degree upon the two general considerations: first, his interpretation and carrying out of company policies in letter and spirit; and second, his attitude toward the men in his group.

The first of the above major factors presupposes the existence of a definite code on the part of the management of his company regarding employer-employee relations. Since most companies do have a specific and detailed program covering this field, the problem is resolved to the simple issue of how best to inculcate in the foreman the realization and appreciation of the importance of guiding his activities by this code.

To familiarize the foreman with the actual company policies regarding employee relations, a foreman's manual should be prepared specifically for the purpose. In

simple and straightforward arrangement the detail considerations should be listed and elaborated on briefly.

Having placed the manual in the hands of the foreman, it is important that the plant management make sure that its content and purpose are understood. Actual discussion by the plant management staff in foremen's meetings and with the separate foremen, as issues arise, is essential to further the carrying out of the policies. Most important of all, the management should stand behind the foreman by scrupulously living up to the code, thus establishing itself by fair dealing as meaning what is said in the manual.

Too much emphasis cannot be placed on the necessity of acquainting the foremen at every possible opportunity singly or in groups with general or specific company policies, so that they will be guided by them and

not by makeshift, self-created codes in their daily dealings with their men.

Passing on to the second consideration outlined in the opening paragraph, it is felt that the attitude of a foreman is reflected in the attitudes of the men working under him, and their feeling toward him largely conditions the type of work they do for him and the interest they take in the plant as a whole. Therefore it is all-important that the foreman himself have a desirable attitude toward his work, his men, his fellow foremen, and the management he represents. Consistently efficient himself, with a thorough understanding of his own job and of the men under him, the ideal foreman has the respect, the confidence, and loyalty of every worker reporting to him. Alert always to ways of helping his men, he tactfully shows them how to perform a better job, stimulates them into wanting to improve, and makes them feel that it is to their best interest to aim at perfection.

Factors constituting proper foreman attitude fall into the following categories:

1. *Discipline*
Never "bawl out" a man in presence of others.
Show no favoritism.
Be calm and tactful in handling problems of discipline.
Let men know when their services are satisfactory.
Let men know precisely in what respects their services are not satisfactory.
Give directions—not "orders."
2. *Fairness*
Listen—give willing ear to all men in group.
Pass credit along where due.
3. *Grievances*
Encourage men to "open up" on grievances.
Remove cause of possible grievance wherever spotted.
Eliminate unexplained pay shortages.
Minimize unequal distribution of overtime.
Do not break promises.
Maintain equal pay for equal services.
Minimize layoff with short notice.
Group men so uncongenial fellow workers are not together.
Check to make sure men are not on jobs for which they are not suited.
Do not ask too much.
4. *Promotion*
Make sure men know that promotion is based on merit.
Teach several jobs in department to each man so he is ready to go up. Teach advantage to men of this policy.
Encourage worker with ability and ambition to learn more than his one job.
5. *Pay*
Keep pay up to job.
6. *Safety*
Teach men to report every injury no matter how slight.
Publicize First-Aid-Room facilities.
Make sure men know about availability and proper use of safety equipment—goggles, fans, guards, etc.
Make sure men are cognizant of specific job hazards—particularly new men.

7. *Neatness*

Assign definite housekeeping responsibilities.
Maintain own personal neatness and check that of men in group.
Maintain plant department equipment and buildings clean, neat, orderly, painted, etc.

8. *Personal Relations*

Make no half promises.
Minimize "paling" around outside plant.
Be sincerely interested in men and their welfare.
Do not transfer troubles to men.
Set good example—get "good will" of men.
Avoid gossip.
Criticize constructively.
Encourage loyalty to company by example.
Show sincere interest in others' ideas, problems, points of view and things in which they are interested.
Try to indicate how men's welfare is increased by their doing the things you would like to have them do.
Maintain open mind.
Encourage men to approach frankly to talk over problems.
Be agreeable, friendly and helpful.
Never "pass the buck."

9. *Encouragement*

Make men feel that their jobs are essential, worthwhile and important.
Encourage sense of security in job.
Try to keep men in jobs they like and to which they are suited.
Acknowledge tasks particularly well done.

10. *Education*

Teach quality workmanship.
Teach waste elimination.
Give specific, careful and clear instructions.
Lay out work ahead.
In instructing use system of "tell, show, check and follow-up."
Teach care of tools, motion saving and other refinements of job.
Encourage men to report mistakes.
Encourage suggestions.

11. *General*

Make sure men know details of vacation system.
Make sure men know group insurance plans or similar company aided projects.
Tell men as much as is known of business outlook.

The development of a high morale in the working force of any plant is dependent to a great extent on the general policies of the company. If the company policies are in line with the best practices, the major problem in developing plant morale consists of the breaking down of organization barriers that prevent these policies from reaching through to the rank and file of the workers. As new situations are continually having a direct influence on foremen's attitudes, a company's program must be kept in line with changing conditions.

With the management enlightened, cooperative and eager to keep its program up-to-date, it becomes relatively easy for a foreman who is conscientious and alert to maintain at all times the respect, confidence and loyalty of his men and to operate his department most efficiently.

FOURTH PRIZE

JOSEPH S. DALY

What Can a Foreman Do to Build High Morale in His Department; to Work Smoothly with Other Foremen and the Management? The answer to these questions lies largely with the foreman. First, he must possess the essential qualifications necessary to accomplish these objectives. Second, lacking these qualities, he must train and develop himself along certain definite lines. He must realize in the beginning that the burden of accomplishment does not rest entirely with the other fellow, but begins, and in a large measure remains, with the foreman.

There is no definite set of rules whereby a higher degree of morale may be injected into a department; however, there are many contributing factors. Each worker represents a different pattern in the human scale and, therefore, the relationship between foreman and worker must be dealt with individually. The first step by the foreman should be one that assures the success of the whole question and here it is—treat the other fellow, regardless of his position or ability, as you, yourself, would wish to be treated. In other words, he should be natural, sincere, human, honest and a square-shooter, cooperating with those above, below and beside him. He should consider his men as working with him, not under him. Men gain knowledge by example faster and easier than by any other method—seeing is believing. The foreman is the pattern for the worker to follow, hence, all dealings by him should embody these qualities. He should know the abilities, failings, likes and dislikes, traits and qualifications of his men and work from these angles. By right instruction and inspiration he tends to bring out only the best in the worker, and harmony, the keynote of industrial relationship, is the result.

All men are entitled to their own ideas and deductions. Hence, the foreman in his quest for higher morale should be tactful, open-minded, tolerant and fair in the operation of his department. Be friendly, but remember that familiarity leads to disregard of authority. Be thorough and enthusiastic—they are contagious qualities. Be a good listener, slow to criticize, slow to censure and slow to anger. Know the complete story first.

The worker should be encouraged to ask questions regarding the work in hand, the company, or any phase of the business he does not understand. If unable to give a satisfactory answer the foreman should be broad-minded enough to acknowledge this fact and promise the worker to obtain further information and pass it on to him. Keep this promise, both will benefit. Good work deserves acknowledgment and acknowledgment helps to develop incentive in the worker, creates interest in the job, broadens one's faith in his fellow man.

Every man inherits a certain amount of creative

instinct. Periodically check each worker for his personal ideas on better ways of doing his particular job and the work of the department in general. The foreman should assure him credit will be given where credit is due. Industry looks to each for better methods. Both must feel that he has an essential part in the success of the whole scheme. The foreman should gain the confidence of his men; build goodwill. Men appreciate fair dealings. Be of service to them. The safe return of each worker to his family and home at the close of each day rests to a great extent with the foreman. Higher morale is the natural outcome of the foregoing contributing factors in the relationship of foreman and worker. A contented, happy and safe worker is a contented and satisfied home maker, an asset to the community and a worthwhile law-abiding citizen.

The successful foreman should never lose sight of the interdependence of all departments, one upon the other: That all departments are striving for the same final goal of completed results; that the harmonious coordination of all activities is the successful result of interdepartmental cooperation. Personalities have no bearing on the issue. The picture to be held in mind among foremen, department heads and management, is one of helpful, constructive, dependable cooperation with the final product the result of right judgment, right activity and the right thinking of all concerned; with full acknowledgment of the other fellow's right to a place in the final accounting. By personal example and precept each foreman can help materially in bringing about harmonious interdepartmental relations.

Both management and men need an interpreter. The foreman must know and understand the policies handed down by the management to be put into operation with the worker and he, in turn, must represent the ideas and opinions of the workers with the management. The successful foreman should have a broad knowledge of the various activities of the business, of company policies, procedure and ethics. This knowledge should come through foremen meetings where open discussion is the rule and through foreman-management meetings and through personal contact. The success of foreman-worker relationship depends a great deal on foreman-management cooperation. Success in one begets success in the other.

In conclusion, after all is said and done, written and discussed, we come back to the simple truth of the whole matter, whether it concerns the worker, other foremen, the management or the relationship of all three—treat the other fellow as you, yourself, would wish to be treated. This attitude by a foreman, coupled with the foregoing contributing factors, will build higher morale in any department.

FOURTH PRIZE

C. CLIFTON EDWARDS

Upon the shoulders of the foreman rests a grave responsibility. An executive or a supervisor may know the details and technics of his business thoroughly, but to put these essentials into effective operation he must have the aid of the proper foreman. We live in an age of specialization and the foreman is the specialist in that particular phase of the business he is in charge of.

The main ingredients of a lasting and successful organization are efficient operation and the good quality of the product or services rendered. It is the job of the foreman to bring all this about, not only with the materials at his disposal, but through the thinking machinery of the plant, the employee. The management may give him the proper material, but it depends solely upon the foreman as to the results he will obtain from the human element who handle that material.

Success obtained at the expense of the morale or well-being of the employee can at best be only superficial, never lasting or sustained. It is the job of the good foreman to build up a high morale and a spirit of cooperation that are not only essential to the success of the business, but are the inalienable rights of a free workman. It is the duty industry owes to the country to make its employees better workmen, and far more important, better and happier citizens.

What then are the requisites that a foreman must possess to help accomplish this ambitious program? The foreman who can develop the qualities listed below will be equipped with the right tools to accomplish this task.

1. Knowledge

The foreman must know his job thoroughly and be able to impart this knowledge quickly and clearly. No matter how difficult a problem is, it can be simply explained, if the teacher himself understands it thoroughly. A man will do a job more willingly, better and more economically, and surely more *safely*, if he understands what he is doing. He is happier as he feels he is not an automaton. His interest is aroused, and the job or his product is better because of it. His respect for his foreman is increased, which lightens the latter's task considerably.

2. Tact

If a man is more than a machine, he has intelligence and feelings. These must be respected. An employee should never be commanded or summarily ordered about. It breaks his spirit, humbles him and he reacts inwardly against his supposed oppressor. An employee cannot do his best, if he feels he has a fancied or actual grievance. It creates inhibitions and complexes that cannot help but curtail his production, and make him an unhappy individual. How much better if his fore-

man makes him feel that he is doing something because he is *part* of the organization and that the job cannot be done unless he does his share. A discontented employee will do so much and no more. The contented employee will always do a little more than what is required of him, which may be the difference between the success or failure of a job or even of an organization.

3. Understanding

A man cannot do his job well, if he is ill, has financial difficulties or troubles at home, or fancied or actual grievances against his company or his fellow employees. An understanding foreman, who is humane and not feared by his men will usually gain their confidence. He may not be able to solve the problem himself but he can prevent a lot of trouble by recognizing the condition. By tact and diplomacy he can talk to the employee and help him to adjust himself; usually by just pointing out his responsibility to his family, company, and to himself. However the foreman must first have the friendship of his men and their complete confidence. A prime factor in gaining this confidence, is that the foreman must at all times respect the integrity of his men. A man who feels he is trusted and respected will respond in a like manner to his foreman and a mutual understanding will result.

4. Decision

A good foreman should not waiver or hesitate. He must make decisions and stick by them. However he will not set a good example, if the tasks assigned by him will serve no useful purpose. The men will soon lose confidence in that type of foreman. There is nothing so annoying to a man as to have him spend hours at a job, only to find that it has gone to naught. Men do not work just because they must be on the job eight hours. They must work for a purpose, to be contented.

5. Fairness

A foreman must be fair, impartial and show no favoritism. Men rarely complain so much against actual pay as they do against relative pay. They resent doing the equivalent work of another employee and receiving less money for it. It is such conditions that the foreman should attempt to adjust if it is possible to do so. Equal consideration is the essence of fairness.

6. Cooperation

Cooperation between the foreman and his fellow workers is another essential quality. He will find his task a difficult one if he cannot receive the voluntary aid of his fellow workers.

Though the above requisites are assets which must be developed and possessed by the foreman himself, yet the part the management plays is very important. To realize the fullest possibilities, the management

must also have confidence in the decisions and judgment of its foreman. A foreman who cannot get the materials or equipment required by his men for the safe and efficient operation of their job; who cannot get recognition for men who are deserving; who cannot eliminate or prevent troublesome conditions, is obviously

ly one who will soon lose the confidence, understanding and respect of his employees. He is thus deprived of his essential tools in building the high morale which he has set as his goal. The management must be prepared to put the decisions and requests of their foreman into effect wherever possible. Their cooperation is essential.

FOURTH PRIZE

CARL GOSLINE

A foreman's department, to a large extent, is a reflection of himself. To gain a high state of morale among his men, he must first acquire it himself. Unless he believes in himself and considers his job as a worthwhile enterprise, he cannot instill this thought and its resultant conduct in others. He is both a salesman and a purchasing agent. He purchases human effort from his men at the same time that he is selling them on their jobs in the way that he is sold on his. No amount of high pressure sales talk as such, will accomplish this. His men will resent it as being forced upon them, and generally speaking, most men cannot be driven very far. They can, however, be led, encouraged and educated to better accomplishments by those to whom they look for these things. No foreman can demand the respect of his men; he can only earn it, and having once gained it must continue to merit it.

And how then, does the foreman earn this respect? The answer lies in no one thing, but in many: a high sense of justice in all his dealings with his men, a control of his own actions before attempting to control the actions of others, the ability to teach, to be patient, to place himself in the other man's position and the company's as well, the knack of understanding human behavior, the courage to progress, the aptness to learn and willingness to share credit, all these, and more, coupled with the necessary technical understanding of his job go into the makeup of the most successful foreman. When he instills through his own example, these same ideals into his personnel, then does the morale of his men reach high levels. Such a man does not have men working *for* him; he has them working *with* him.

To work smoothly with other foremen and his superiors means cooperation. The best way to get it, is to give it. The man who always is willing to help the other fellow seldom will find difficulty in getting help when he needs it. Each foreman should understand something of the problems of the contacting departments he serves, or is served by, and should frequently consult with the supervisors of them. A clear picture of the problem as a whole and the willingness of each individual supervisor to do more than his bare share of the work involved will always mean a harmonious relationship between departments. Equally important is the willingness of a foreman to assume the full responsibility for the things that go wrong.

In his contacts with his superiors, a foreman must be honest, loyal, and obedient. The superintendent should have among his foremen, the same morale that the foreman should have among his men, and he can get it or lose it in the same ways.

Most foremen have been promoted from the ranks of workmen. The old type who was foreman because he could out-work, out-drink, and out-fight anybody else should be extinct. When a new foreman is now selected, there is apparently no great doubt on the part of the company concerning the man's technical knowledge nor his general good character and intelligence. The duty of the company then toward him becomes one of teaching him the rest of his job, just as it once taught him to be a good workman. This is more difficult because it is less tangible. Good example on the part of the management both in company policy and in personal conduct go a long way toward this. The foreman will be molded along a line of conduct which reflects the method by which the general affairs of the company are carried out. Insofar as his dealings with his men are concerned, a foreman has his company's policy as his chief tool with which to work. The failure on the part of the company to provide this tool is as silly as hiring men and then failing to provide them with the means with which to work. Like any other tool, judgment is required in its use. This the company cannot give.

Failure of the company to maintain the prestige of its foremen is fatal, and there should be a regular line of authority and responsibility following down the channel from management to workmen. It is just as wrong for instructions or complaints to go over the head of a supervisor on the way down the line as it is on the way up. Instructions to foremen should be accompanied by the reason why in order that they may more intelligently carry out the general plan.

Many articles have been written on how a foreman should treat his men, I have seen very little on how management should treat its foremen. Perhaps this is because I am not a manager in the accepted sense of the word, but I really believe that the foremen are the real managers of a plant, and that if management spent as much time and effort in the guidance of its foremen, as the foremen do with their men, that the aims of management would be more completely carried out, and that there would be more really good foremen.

FOURTH PRIZE

MAXIM MINIKES

The answer to the question, "What Can a Foreman Do to Build High Morale in His Department?" can be found in the answer to the question, "What makes a good foreman?" The qualities required and how to develop them and use them have been covered during the past few years in written form in articles and books on foreman training, and in the numerous courses offered to foremen through the cooperation of industry, foremen's clubs and junior colleges throughout the country. It is assumed that foremen who are interested in building morale in their departments are familiar with these.

As will be clear from the start, the first step in a program of this sort is up to the foreman himself. The serious-minded foreman wishes for better results in performance and better relationships between the workers, between the workers and himself and between the workers and the company, and in order to achieve his goal must be willing to work at it continually without letup one hundred per cent of the time. In other words, he must live it.

Many times these things are started when his department is not under heavy pressure, and when his duties of running the department do not take up all of his time. As soon as the pressure is on again the morale question is either ignored or forgotten in favor of supposedly more important things, and the work done thus far on it is wasted.

The thing is to have his goal continually in his mind at all times, so much so that it becomes a habit with him to think in terms of group morale in everything he does at his work. This need not detract from his duties or effectiveness.

When a department or group of people are under heavy pressure the morale of the group is of the utmost importance and the wise foreman will find that properly laid groundwork will be a great asset during this time, if he will continue his building along the lines he has started.

Following are some of the more important things he must consider in attaining his goal:

Overcome fear on the part of the worker

Fear of the unknown is the greatest enemy of progress and improvement. In changing methods, in changing layout, making new rules and setting new policies, the workers' first consideration is how and what effect the change will have on themselves. If the change is not presented properly the foreman will run into all kinds of objections on the part of the workers, and the situation may easily be made so difficult for him that the proposed improvement loses all of its value. This fear

of change and its effect upon the workers is the result of past sad experiences. Even though a particular worker did not have these experiences himself, he is sure to know someone who did. Their minds have become conditioned to the idea that changes are bad, that the worker always suffers, and thus their reactions reflect their state of mind.

When a change of any kind has to be made, the group affected should be prepared for it ahead of time. They should be told why it is being done and be shown the advantages. It should be made clear that no one will be penalized, and any adjustments that are necessary should be planned for in advance. Everybody affected should know how they stand and should not be allowed to feel insecure. This is purely the responsibility of the foreman, regardless of whether the change is his own idea, or whether it comes from another source.

Establish Faith and Loyalty

No progress is possible without faith on the part of the worker in the product and in the company. The building of such faith and loyalty is directly the responsibility of the foreman. Inasmuch as the foreman is the connecting link between the worker and the company, and the foreman is largely responsible for the worker's attitude toward the company and its policies, the foreman must build up the worker's confidence and faith in him. This cannot be done overnight and is sometimes a long and trying job. It can be accomplished mainly by the example of the foreman to the group and will be the result of the group's experience with his dealings. Sincerity and absolute honesty in dealing with his people are the order, and proper adjustments of grievances, acceptance of workers' ideas when possible, and giving credit where it is due are of the utmost necessity.

Promotion of group spirit

In every group large or small there are usually certain key people or persons to whom the rest of the group turn for opinions and advice. Unfortunately it sometimes happens that these folks have not been sold on group solidarity, and the formation of groups within the group is the result. These key people if sold on the idea of morale building and group spirit can be immensely helpful to the foreman who is trying to weld a strong esprit de corps. Most people want to do the right thing and conditions should be arranged so that it is easier to do the right thing than wrong. Most rules in departments are not made for the majority but for the minority, and one will find that the very people whose actions caused the rules to be made are the ones who break them most often. If the main part of a group is made to see and realize that adherence to the

system as laid down by an organization is better for them in the end, somehow or other the minority ceases to be a factor. A solid group is not going to allow a few people to spoil a satisfactory set of working conditions.

In promoting group spirit, the group's pride should be built up on the records of their performance as a group, and the part they play in relation to the whole. Poor work and lack of cooperation by individuals should be treated as a reflection on the unit and handled accordingly, but all the while taking personal viewpoints into consideration.

Healthy competition between departments and groups that does not become too serious is commendable and helps build good will between departments

and their foremen. This in turn welds the individual groups more strongly together.

Management can play an important part in consulting with the foreman before contemplated changes are made and in cooperating with him on his suggestions. After all, if he is in his position as a foreman to get the best out of a group of people, he is bound to be closer to that group than the management and is able to interpret to management the needs and feelings of the workers. He is also in the best position to interpret to the workers his management's needs and feelings.

When all is said and done the morale of a group or department is merely a reflection of the leader's or foreman's personality and the kind of job he is doing.

Chronology of Events Affecting Labor Relations

June

- 1 *Union Regulation Enacted*—Bill regulating union activities defeated by Pennsylvania State Senate May 26 (see May issue) reconsidered and enacted.
- 4 *Merit Rating Vetoed*—New York Governor vetoes amendment to unemployment insurance law that would apply merit rating to company taxes for unemployment insurance.
- 6 *Court Curbs Unions*—United States Circuit Court of Appeals denies union right to initiate charges in court against employer accused of violating the N.L.R.A., holding that this is N.L.R.B. function.
- 8 *Michigan Labor Act Signed*—Governor signs act passed by Michigan Legislature requiring five-day notice of intent to strike, intended to provide a period for mediation. Thirty days' notice required of strike affecting public utilities and hospitals. Act forbids coercion of employees to join unions and unlawful discrimination by employers against union members.
- 10 *Sick Benefits Widened*—General Motors Corporation announces hospitalization and surgical benefit plan applying to 200,000 employees.
Collective Bargaining Dilemma—General Motors Corporation declines to negotiate contract with either faction of U.A.W. until the courts or the N.L.R.B. have ruled on legal ownership of the Corporation's labor contract.
- 14 *Labor Trouble at World's Fair*—Criticisms of actions of labor unions in connection with World's Fair construction multiply. Some foreign commissioners estimate erection costs at \$10 million above expectations, largely because of unions, insistence that full crews of American workmen be paid for doing nothing while foreign technicians and artists performed the necessary work.
- 15 *C.I.O. Seeks Injunction Against A.F.L.*—The United Electrical, Radio and Machine Workers (C.I.O.) starts suit for injunction against the International Brotherhood of Electrical Workers (A.F.L.) charging that latter had maintained a boycott against products manufactured by plants operating under C.I.O. agreements.
- 20 *Textile Differential Opposed*—Northern cotton mill owners protest before Wage-Hour Administration against wage differential between northern and southern mills.
- 21 *Labor Legislation in New Jersey*—New Jersey Assembly passes bill providing 44-hour week and minimum wage of 40 cents an hour. Assembly also approves bill creating board of mediation to adjudicate labor disputes and bill creating labor relations commission to regulate collective bargaining.
- N.L.R.B. Broadens Policy*—National Labor Relations Board announces amendment of its rules to permit employers to petition the Board for an election to determine which of two or more rival labor organizations should be certified as representing a majority of employees for collective bargaining where no labor union had petitioned the Board for such certification.
- 22 *Labor Investigations Demanded*—Representative Howard Smith of Virginia introduces in Congress two resolutions providing for sweeping investigations of the National Labor Relations Act and Fair Labor Standards Act and their administration.

Wages and the Cost of Living

A GENERAL decline was the characteristic note revealed in manufacturing activity for May, according to reports received by THE CONFERENCE BOARD from manufacturers in 25 industries.

Man Hours Worked

Total man hours worked declined 1.9% between April and May. Declines were reported in 14 of the 25 industries, the largest 20.6% in the boot and shoe industry. A drop of 13.6% was reported in the auto-

mobile industry. The heavy equipment industry, on the other hand, showed a rise of 10.3% in the month's interval. Total man hours worked in the 25 industries were 22.1% higher than a year ago, but 37.1% lower than in 1929.

Employment and Payrolls

In May there were 1.1% fewer workers employed in these industries than in April, 8.8% more than in May, 1938, but 16.7% fewer than in 1929. Total payroll dis-

EARNINGS AND HOURS, ALL WAGE EARNERS

MAY, 1939

INDUSTRY	Average Earnings				Average Hours per Week per Wage Earner			
	Hourly		Weekly		Actual		Nominal	
	May	April	May	April	May	April	May	April
Agricultural implement.....	\$.800	\$.808	\$29.89	\$30.16	37.4	37.3	40.2	40.2
Automobile ¹.....	.956	.949	31.42	32.68	32.9	34.4	40.0	40.0
Boot and shoe.....	.524	.516	16.89	19.17	32.3	37.2	40.0	40.1
Chemical.....	.752	.750	29.34	29.03	39.0	38.7	40.1	40.2
Cotton—North.....	.491	.493	18.18	18.66	37.0	37.8	39.9	39.9
Electrical manufacturing.....	.798	.801	29.91	30.36	37.5	37.9	39.8	39.8
Furniture ².....	.665	.661	23.86	24.42	35.9	37.0	40.8	40.8
Hosiery and knit goods.....	.547	.548	19.15	20.52	35.0	37.4	40.0	40.0
Iron and steel ³.....	.835	.829	27.30	26.61	32.7	32.1	40.2	40.2
Leather tanning and finishing.....	.630	.638	23.98	24.09	38.1	37.8	40.3	40.4
Lumber and millwork.....	.676	.667	26.65	25.81	39.5	38.7	41.9	42.0
Meat packing.....	.698	.699	28.40	27.22	40.7	38.9	38.4	40.4
Paint and varnish.....	.714	.711	29.35	28.81	41.1	40.5	40.6	40.6
Paper and pulp.....	.640	.636	25.74	25.69	40.2	40.4	41.2	41.3
Paper products.....	.608	.605	23.90	24.02	39.3	39.7	40.6	40.6
Printing—book and job.....	.826	.817	31.85	31.46	38.6	38.5	40.0	40.0
Printing—news and magazine.....	.969	.966	35.85	35.97	37.0	37.2	39.7	39.7
Rubber.....	.853	.854	28.85	29.67	33.8	34.7	38.2	38.2
1. Rubber tires and tubes.....	1.004	1.010	32.79	33.68	32.7	33.3	37.1	37.1
2. Other rubber products.....	.679	.680	23.94	24.78	35.2	36.4	39.5	39.5
Silk.....	.528	.520	17.73	18.13	33.6	34.8	40.2	40.2
Wool.....	.594	.597	19.90	20.42	33.5	34.2	40.0	40.1
Foundries and machine shops.....	.736	.735	27.92	27.44	37.9	37.3	40.2	40.2
1. Foundries.....	.746	.746	25.97	25.94	34.8	34.8	40.1	40.2
2. Machines and machine tools.....	.750	.745	30.95	29.55	41.3	39.7	40.9	40.8
3. Heavy equipment.....	.779	.797	29.72	29.86	38.2	37.5	40.1	40.1
4. Hardware and small parts.....	.665	.662	25.19	24.69	37.9	37.3	40.3	40.3
5. Other products.....	.735	.729	27.14	26.83	36.9	36.8	39.7	39.7
25 INDUSTRIES.....	\$.720	\$.717	\$26.19	\$26.27	36.5	36.8	40.2	40.3
Cement.....	\$.690	\$.692	\$26.16	\$26.50	37.9	38.3	39.5	39.4
Petroleum refining.....	.972	.984	35.28	35.40	36.3	36.0	36.0	36.0
27 INDUSTRIES.....	\$.723	\$.720	\$26.30	\$26.39	36.5	36.8	40.2	40.2

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD.

²Includes wood, metal, and upholstered household and office furniture.

³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

CHANGES IN THE COST OF LIVING, MAY, 1939

Item	Relative Importance in Postwar Family Budget	Indexes, 1923=100			Percentage Changes	
		May, 1939	April, 1939	May, 1938	April, 1939 to May, 1939	May, 1938 to May, 1939
Food ¹	33	78.1	78.2	80.8	-0.1	-3.3
Housing.....	20	86.2	86.2	87.0	0	-0.9
Clothing.....	12	72.1	72.2	74.5	-0.1	-3.2
Men's clothing.....		78.4	78.5	80.5	-0.1	-2.6
Women's clothing.....		65.8	66.0	68.5	-0.3	-3.9
Fuel and light.....	5	84.0	85.2	83.7	-1.4	+0.4
Coal.....		82.9	84.7	82.4	-2.1	+0.6
Gas and electricity.....		86.2	86.2	86.4	0	-0.2
Sundries.....	30	96.6	96.7	97.6	-0.1	-1.0
WEIGHTED AVERAGE OF ALL ITEMS.....	100	84.8	85.0	86.5	-0.2	-2.0
PURCHASING VALUE OF DOLLAR.....		117.9	117.6	115.6	+0.3	+2.0

¹Based on food price indexes of the United States Bureau of Labor Statistics, May 16, 1939, April 18, 1939 and May 17, 1938.

INDEXES OF EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, ALL WAGE EARNERS

MAY, 1939

1923=100

INDUSTRY	Average Earnings						Employment		Total Man Hours Worked		Payrolls	
	Hourly, Actual		Weekly									
			Actual		Real							
	May	April	May	April	May	April	May	April	May	April	May	April
Agricultural implement.....	143.9	145.3	108.7	109.6	128.2	128.9	104.1	110.1	78.7	83.0	113.2	120.7
Automobile ¹	151.3	150.2	104.2	108.4	122.9	127.5	87.5	96.9	60.4	69.9	91.2	105.0
Boot and shoe.....	105.9	104.2	74.7	84.8	88.1	99.8	89.4	97.7	63.3	79.7	66.8	82.8
Chemical.....	148.6	148.2	109.0	107.9	128.5	126.9	110.0	109.6	80.7	79.7	120.0	118.3
Cotton—North.....	110.3	110.8	85.6	87.9	100.9	103.4	39.8	41.0	30.8	32.4	34.1	36.0
Electrical manufacturing.....	140.5	141.0	110.4	112.1	130.2	131.9	83.0	82.4	65.2	65.3	91.6	92.4
Furniture ²	128.6	127.9	95.7	97.9	112.9	115.2	79.5	81.1	59.2	62.3	76.1	79.4
Hosiery and knit goods.....	143.2	143.5	108.4	116.1	127.8	136.6	112.0	115.4	84.7	93.2	121.4	134.0
Iron and steel ³	140.1	139.1	79.8	77.8	94.1	91.5	90.1	91.2	51.1	50.7	71.9	71.0
Leather tanning and finishing.....	129.6	131.3	103.5	104.0	122.1	122.4	74.4	79.6	59.5	63.2	77.0	82.8
Lumber and millwork.....	142.9	141.0	113.8	110.2	134.2	129.6	63.0	60.2	50.3	47.1	71.7	66.3
Meat packing.....	147.6	147.8	120.6	115.6	142.2	136.0	91.7	90.6	75.1	70.9	110.6	104.7
Paint and varnish.....	133.7	133.1	110.5	108.4	130.3	127.5	126.4	126.7	104.3	103.0	139.7	137.3
Paper and pulp.....	127.0	126.2	98.7	98.5	116.4	115.9	107.5	107.5	83.4	83.9	106.1	105.9
Paper products.....	133.3	132.7	109.7	110.3	129.4	129.8	128.3	129.1	106.0	107.7	140.7	142.4
Printing—book and job.....	126.5	125.1	106.3	105.0	125.4	123.5	96.2	96.1	80.9	80.6	102.3	100.9
Printing—news and magazine.....	139.8	139.4	114.8	115.2	135.4	135.5	117.4	118.2	96.5	97.8	134.8	136.2
Rubber.....	136.3	136.4	102.9	105.9	121.3	124.6	72.2	72.9	54.4	56.5	74.3	77.2
Silk.....	106.5	104.8	77.0	78.7	90.8	92.6	87.2	88.2	63.0	66.0	67.1	69.4
Wool.....	117.6	118.2	83.0	85.2	97.9	100.2	74.2	72.6	52.3	52.3	61.6	61.9
Foundries and machine shops.....	128.4	128.3	98.4	96.7	116.0	113.8	80.5	79.3	61.5	59.6	79.2	76.7
1. Foundries.....	126.4	126.4	87.7	87.6	103.4	103.1	60.4	60.4	41.9	41.9	53.0	52.9
2. Machines and machine tools.....	136.6	135.7	113.4	108.2	133.7	127.3	89.9	88.1	74.5	70.2	101.9	95.3
3. Heavy equipment.....	116.3	119.0	90.0	90.4	106.1	106.4	56.6	52.3	43.9	39.8	50.9	47.3
4. Hardware and small parts.....	129.9	129.3	101.5	99.5	119.7	117.1	97.5	97.0	76.1	74.6	99.0	96.5
5. Other products.....	131.3	130.2	99.3	98.2	117.1	115.5	93.7	94.9	70.8	71.6	93.0	93.2
25 INDUSTRIES.....	133.1	132.5	98.4	98.7	116.0	116.1	84.1	85.0	62.4	63.6	82.8	83.9

NOTE: No basic 1923 data are available, hence no indexes are given for the following: rubber tires and tubes, other rubber products, cement, petroleum refining, and "27 industries."

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD.

²Includes wood, metal, and upholstered household and office furniture.

³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

bursements were 1.3% lower than in April, 22.7% higher than in May, 1938, but 23.6% lower than in 1929.

Hourly Earnings

Average hourly earnings increased slightly from 71.7 cents in April, to 72.0 cents in May, or 0.4%. This marked a continuation of the upward trend in hourly wages which began in January. They were 0.3% higher than in May, 1938, and 22.0% higher than in 1929, when they averaged 59.0 cents.

Average Work Week

The average work week was 36.5 hours in May, a decline of 0.8% from the April figure of 36.8 hours. It

was 12.3% higher than in May, 1938, but 24.4% lower than in 1929, when the average work week was 48.3 hours. Declines were found in 12 industries. The largest was in the boot and shoe industry, 13.2%, while the decline in the hosiery and knit goods industry amounted to 6.4%, and in the automobile industry to 4.4%. In meat packing, on the other hand, there was an increase of 4.6% in the month's interval.

Weekly Earnings

Average weekly earnings, because of the reduction in the hours of work, declined from \$26.27 in April to \$26.19 in May, or 0.3%. In 14 industries there were
(Continued on page 100)

EARNINGS AND HOURS, ALL MALE AND FEMALE WAGE EARNERS

MAY, 1939

INDUSTRY	ALL MALE						FEMALE					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	May	April	May	April	May	April	May	April	May	April	May	April
Agricultural implement.....	\$.803	\$.811	\$30.01	\$30.28	37.4	37.4	\$.612	\$.613	\$21.03	\$21.22	34.4	34.6
Automobile ¹.....	.967	.959	31.91	33.09	33.0	34.5	.703	.703	22.07	22.14	31.4	31.5
Boot and shoe.....	.591	.589	19.41	22.01	32.8	37.4	.422	.414	13.09	15.25	31.0	36.8
Chemical.....	.782	.782	30.66	30.33	39.2	38.8	.536	.537	20.51	20.69	38.2	38.5
Cotton—North.....	.542	.539	20.69	21.24	38.2	39.4	.422	.429	15.04	15.37	35.6	35.8
Electrical manufacturing.....	.852	.855	32.23	32.61	37.8	38.2	.564	.566	20.36	20.80	36.1	36.7
Furniture ².....	.675	.672	24.44	25.00	36.2	37.2	.504	.488	15.42	16.30	30.6	33.4
Hosiery and knit goods.....	.693	.687	25.29	27.36	36.5	39.8	.433	.435	14.72	15.67	34.0	36.0
Iron and steel ³.....	.835	.829	27.30	26.61	32.7	32.1	.....	.....	.....	.....	.....	.....
Leather tanning and finishing.....	.654	.665	25.06	25.12	38.3	37.8	.469	.471	17.22	17.79	36.7	37.7
Lumber and millwork.....	.676	.667	26.65	25.81	39.5	38.7	.....	.....	.....	.....	.....	.....
Meat packing.....	.724	.726	29.71	28.48	41.0	39.2	.542	.541	21.08	20.20	38.9	37.4
Paint and varnish.....	.726	.722	29.91	29.31	41.2	40.6	.525	.532	20.32	20.69	38.7	38.9
Paper and pulp.....	.656	.653	26.48	26.44	40.3	40.5	.429	.423	15.95	16.12	37.2	38.1
Paper products.....	.670	.664	26.81	26.89	40.0	40.5	.452	.450	17.05	16.96	37.7	37.7
Printing—book and job.....	.914	.907	36.35	35.71	39.8	39.4	.531	.513	18.93	18.58	35.7	36.2
Printing—news and magazine.....	1.015	1.015	38.00	38.11	37.4	37.6	.586	.586	19.85	20.44	33.9	34.9
Rubber.....	.948	.953	32.19	33.07	34.0	34.7	.568	.569	18.78	19.71	33.1	34.6
1. Rubber tires and tubes.....	1.039	1.047	34.35	35.27	33.0	33.7	.716	.722	21.51	22.17	30.0	30.7
2. Other rubber products.....	.787	.792	28.12	28.97	35.7	36.6	.519	.523	17.77	18.83	34.2	36.0
Silk.....	.595	.591	20.36	20.64	34.2	34.9	.393	.389	12.74	13.51	32.4	34.7
Wool.....	.645	.647	22.38	22.61	34.7	34.9	.504	.505	16.14	16.42	32.0	32.5
Foundries and machine shops.....	.755	.756	28.81	28.30	38.1	37.4	.479	.478	16.81	17.19	35.1	35.9
1. Foundries.....	.749	.750	26.11	26.12	34.8	34.8	.562	.550	18.38	17.40	32.7	31.6
2. Machines and machine tools.....	.754	.749	31.18	29.76	41.3	39.7	.517	.517	19.49	19.03	37.7	36.8
3. Heavy equipment.....	.779	.797	29.72	29.86	38.2	37.5	.....	.....	.....	.....	.....	.....
4. Hardware and small parts.....	.700	.696	26.61	26.01	38.0	37.4	.457	.456	16.94	16.84	37.1	36.9
5. Other products.....	.772	.769	28.88	28.48	37.4	37.0	.485	.484	16.41	17.21	33.9	35.6
25 INDUSTRIES.....	\$.764	\$.762	\$28.09	\$28.06	36.9	37.0	\$.475	\$.474	\$16.18	\$16.82	34.0	35.5
Cement.....	\$.690	\$.692	\$26.16	\$26.50	37.9	38.3	.....	.....	.....	.....	.....	.....
Petroleum refining.....	.972	.984	35.28	35.40	36.3	36.0	.....	.....	.....	.....	.....	.....
27 INDUSTRIES.....	\$.767	\$.765	\$28.19	\$28.16	36.9	37.0	.....	.....	.....	.....	.....	.....

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD.

²Includes wood, metal, and upholstered household and office furniture.

³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMISKILLED MALE WAGE EARNERS
MAY, 1939

INDUSTRY	UNSKILLED						SKILLED AND SEMISKILLED					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	May	April	May	April	May	April	May	April	May	April	May	April
Agricultural implement.....	\$.648	\$.661	\$24.15	\$24.80	37.2	37.5	\$.824	\$.831	\$30.82	\$31.02	37.4	37.3
Automobile ¹.....	.795	.791	28.06	29.27	35.3	37.0	.976	.968	32.11	33.30	32.9	34.4
Boot and shoe.....	.437	.427	14.73	15.88	33.7	37.2	.597	.596	19.58	22.29	32.8	37.4
Chemical.....	.689	.689	26.70	26.60	38.8	38.6	.816	.816	32.13	31.71	39.4	38.9
Cotton—North.....	.511	.493	20.21	19.59	39.6	39.8	.554	.557	20.86	21.86	37.7	39.3
Electrical manufacturing.....	.664	.669	25.70	25.69	38.7	38.4	.873	.876	32.91	33.46	37.7	38.2
Furniture ².....	.539	.529	18.54	19.36	34.4	36.6	.709	.708	25.95	26.41	36.6	37.3
Hosiery and knit goods.....	.459	.449	17.22	17.58	37.5	39.1	.712	.706	25.91	28.14	36.4	39.9
Iron and steel ³.....	.640	.631	21.95	20.57	34.3	32.6	.869	.864	28.16	27.65	32.4	32.0
Leather tanning and finishing.....	.544	.552	20.98	21.09	38.6	38.2	.680	.693	26.00	26.12	38.2	37.7
Lumber and millwork.....	.476	.473	19.33	19.02	40.6	40.3	.748	.740	29.34	28.27	39.2	38.2
Meat packing.....	.625	.625	25.99	24.66	41.6	39.5	.774	.777	31.54	30.36	40.7	39.1
Paint and varnish.....	.632	.624	25.85	24.84	40.9	39.8	.776	.775	32.13	31.85	41.4	41.1
Paper and pulp.....	.539	.527	20.87	20.52	38.8	38.9	.696	.695	28.41	28.47	40.8	40.9
Paper products.....	.523	.523	20.91	21.21	40.0	40.6	.731	.728	29.27	29.47	40.0	40.5
Printing—book and job.....	.539	.533	22.10	22.15	41.0	41.5	1.019	1.014	40.20	39.31	39.4	38.8
Printing—news and magazine.....	.617	.621	22.02	22.26	35.7	35.8	1.104	1.103	41.77	41.85	37.8	38.0
Rubber.....	.664	.666	25.12	24.93	37.8	37.4	.958	.963	32.41	33.33	33.8	34.6
1. Rubber tires and tubes.....	.769	.769	27.35	27.90	35.6	36.3	1.047	1.054	34.52	35.46	33.0	33.6
2. Other rubber products.....	.561	.558	22.62	21.63	40.4	38.7	.799	.803	28.36	29.29	35.5	36.5
Wool.....	.520	.521	17.70	18.27	34.0	35.1	.704	.708	24.71	24.66	35.1	34.9
Foundries and machine shops.....	.619	.630	22.78	23.03	36.8	36.6	.778	.778	29.90	29.27	38.4	37.6
1. Foundries.....	.614	.613	21.74	21.31	35.4	34.8	.802	.801	27.77	27.96	34.6	34.9
2. Machines and machine tools.....	.570	.579	22.81	22.82	40.0	39.4	.772	.766	32.16	30.47	41.6	39.8
3. Heavy equipment.....	.610	.647	22.13	23.47	36.3	36.3	.805	.823	30.94	30.99	38.5	37.7
4. Hardware and small parts.....	.568	.572	21.18	20.99	37.3	36.7	.705	.700	27.09	26.37	38.4	37.7
5. Other products.....	.679	.684	24.76	25.15	36.5	36.8	.790	.786	29.72	29.17	37.6	37.1
24 INDUSTRIES ⁴	\$.591	\$.590	\$22.17	\$22.10	37.7	37.6	\$.806	\$.804	\$29.57	\$29.57	36.8	36.9
Cement.....	\$.578	\$.577	\$20.66	\$21.07	35.7	36.5	\$.713	\$.716	\$27.35	\$27.70	38.4	38.7
Petroleum refining.....	.703	.703	24.96	25.10	35.5	35.7	1.020	1.033	37.13	37.19	36.4	36.0
26 INDUSTRIES ⁴	\$.592	\$.591	\$22.19	\$22.12	37.7	37.6	\$.809	\$.807	\$29.66	\$29.69	36.8	36.9

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD.

²Includes wood, metal, and upholstered household and office furniture.

³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

⁴Silk industry not included, as adequate data for unskilled and skilled labor groups are not available for this industry.

Wages and the Cost of Living (Continued from page 99)

decreases, the larger of which were in the boot and shoe industry, 11.9%, hosiery and knit goods industry, 6.7%, and the automobile industry, 3.9%. In the 25 industries combined, they were 12.7% higher than a year ago, but 8.3% lower than in 1929. Real weekly earnings, that is, actual weekly earnings adjusted for changes in the cost of living, were 0.1% lower than in April, 15.0% higher than in May, 1938, and 8.2% above 1929.

Cost of Living

The cost of living of wage earners declined slightly, 0.2%, from April to May, with decreases in the cost of

food, clothing, coal and sundries. In the previous month's interval, from March to April, it had risen 0.1%. Living costs in May were 2.0% lower than in May, 1938, and 15.3% lower than in 1929, but 18.3% higher than at the low point which was reached in 1933.

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